AGENDA ITEM 4

TRANSPORT FOR LONDON

RAIL AND UNDERGROUND PANEL

SUBJECT: MANAGING DIRECTOR'S REPORT – LONDON UNDERGROUND

DATE: 12 MAY 2010

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1 PURPOSE

1.1 The purpose of this report is to describe London Underground's performance since the last report to the Panel and for the year 2009/10. The report also provides updates on the status and progress of London Underground's strategic workstreams, major investment projects and items of special interest.

1.2 The Rail and Underground Panel is asked to note this report.

2 PERFORMANCE

2.1 A summary of key performance indicators and graphs showing trends over the last year are provided on pages 8 to 15.

Customer Satisfaction

2.2 The Customer Satisfaction Survey (CSS) result for Quarter 4 was an overall evaluation score of 78, the lowest score of the year but still at a high level relative to performance over recent years. This gives a score of 79 for the year as a whole, in line with the target.

Train Service

2.3 Since the last results reported to the Panel, performance has remained above target. During the adverse weather in December and January LU, operated a good service which minimised the impact of snow and ice on customer service, in contrast to the problems experienced by some National Rail operators in the London area. Only some 1 per cent of period 10's schedule was lost as a consequence of the weather.

2.4 The year's percentage of schedule at 96.6 per cent bettered the budget by 0.3 per cent and was the highest achieved for 15 years. If the impact of industrial action earlier in the year is excluded, the network percentage rises to 97.1 per cent and all lines apart from the Piccadilly (which was nevertheless within 0.1 per cent) met their targets.

2.5 Despite the improved percentage of schedule performance, kilometres operated for the year at 69.4 million were 1.2 million less than in 2008/09. This reflects a much higher level of weekend engineering possessions, notably on the Jubilee and Sub-surface lines, which reduced the network schedule by some 4.5 million kilometres this year compared with 3.1 million in the previous year. On the Jubilee line alone, engineering possessions reduced the schedule by almost 1.4 million kilometres or 17½ per cent of the line's timetabled service.

2.6 A separate paper is being presented to this meeting discussing the performance of the Circle & Hammersmith line since the change in service pattern was introduced on 13 December.

2.7 A new Northern line timetable was introduced on 31 January. Together with some minor service alterations, this timetable brought into operation the new train crew accommodation at High Barnet. On the Victoria line, a temporary timetable introduced in February made a small reduction to the off-peak service in order to create paths for train operator training on the new 2009 Tube Stock. Once training is complete the service will revert to the previous timetable.

Journey Time

2.8 Excess journey time ended the year averaging 6.41 minutes, 0.37 minutes inside the target. Both stations and trains beat their respective targets for the year with the overall train journey time - comprising platform wait and on train time elements - averaging 28.70 minutes this year, its best performance on record beating the previous best of 28.83 minutes set in 2005/06. Closures excess time fell 0.06 minutes short of its target, averaging 0.76 minutes for the year of which 0.14 minutes was as a result of the network-wide industrial action in period 3.

2.9 At the start of the year, scheduled journey time was 37.53 minutes and by the end it was 38.07 minutes. Of this increase, 0.48 minutes came from the changes to the Circle & Hammersmith, Metropolitan and District line timetables introduced in December and the remaining 0.06 minutes came from the recent temporary timetable change on the Victoria line. Taking into account this increase and excluding the effects of industrial action, then actual journey time performance is virtually unchanged from last year.

Passenger Journeys

2.10 Demand has shown an encouraging recovery in the final quarter of the year. Passenger journeys for the year totalled 1,065 million, above forecast but 29.3 million (2.7 per cent) below the budget. The year's result reflects a 2.3 per cent reduction in demand compared with 2008/09. A separate paper being presented to this meeting provides more detail.

Safety and Security

2.11 There were 111 reported major injuries to customers in the year giving a rate of 0.10 major injuries per million passenger journeys which is within the target of 0.13. Falls on stairs or escalators were the most common cause,

accounting for 71 incidents.

2.12 The rate of notifiable crime per million passenger journeys over the 11 months April – February is unchanged from the previous year and within the annual target. The data for March 2010 was not available in time for inclusion in this report.

3 LINE UPGRADES

Jubilee line

3.1 A four day full line closure took place during Easter with Tube Lines (TLL) able to provide the system to LU for trial operations during the final two days of the closure as planned. However, out of the 260 planned runs between Stratford and Waterloo only 90 were able to be completed due to system faults. The trial operations were conducted with a number of operational restrictions in place for the train and signal operators and the reliability of the system during the weekend would not have been sufficient for passenger service. TLL have an updated version of the software due for release at the end of April which is intended to provide additional functionality and improve reliability and which will be tested during the three day full line closure during the May Day Bank Holiday, when LU will also undertake further trial operations.

Victoria line

3.2 The Victoria Line Upgrade remains on target and on budget. Train production quality along with signalling reliability remains a primary focus, however there have been demonstrable signs of improvement. There has also been a reduction in time between train delivery and acceptance into service. Five production trains have been delivered with four trains now offered for service, and these have commenced running in the morning peak.

Sub Surface Railway

3.3 The programme remains on track to achieve the target date for the introduction of S Stock into passenger service at the north end of the Metropolitan line in summer 2010 and also to achieve the target date of late 2010 for the award of the Automatic Train Control contract. A reduction to two tenderers is on schedule to be confirmed ahead of the target date in June. A construction contract has been awarded for the Service Control Centre at Hammersmith, which through the use of second tier suppliers has been reduced to 60 per cent of the original forecast cost and is significantly below the comparable cost for TLL.

Northern line

3.4 LU and TLL are working on a programme that reduces the overall number of closures, and their impact. The first series of closures, for installation, has commenced at the southern end of the line. The current TLL programme shows a completion date of 22 April 2012 compared to a contractual end date of 7 January 2012.

Piccadilly line

3.5 TLL has reached the preferred supplier stage in their procurement process for the new rolling stock and its programme requires the contract to be let by 30 June 2010.

4 PROJECTS

Tottenham Court Road Station

4.1 Demolition work was completed on schedule with over 95 per cent of the buildings being recycled. The Northern line escalator box piling platform has been prepared and the pile caps for the Charing Cross Road utilities bridge are complete. The major utility works underway in Oxford Street are on track for completion in November 2010.

Victoria Station Upgrade

4.2 Installations for the advanced ground/structures monitoring have progressed well inside the LU station and on adjacent buildings. Thames Water has commenced with sewer diversions in Wilton Road following its recent closure for utility diversions. Main contract award is on programme to complete mid-April, with contract commencement in early May.

Paddington Hammersmith & City

4.3 The Management Agreement with Crossrail Ltd (CRL) (for implementation of LU works) has been finalised and signed by both parties. CRL's contractor has mobilised and commenced ground-works for the new station and taxi ramp on the triangle site. City of Westminster has approved the planning application for the escape stair but arrangements for land to site the exit have not yet been finalised with landowner Aviva.

Stratford Station ODA Works

4.4 Platform 3A and the Mezzanine Ticket Hall site were handed over to TLL from Network Rail (NR) on 26 March, significantly behind programme. Integration of the system engineering is progressing, and all of the LU interfaces required for integration with NR have been successfully tested.

Thameslink

4.5 Piling continues at Blackfriars and for the new Borough Viaduct. At Farringdon, the Turnmill Street superstructure has commenced construction. Due to delays in its design programme NR are looking for ways to progress construction work in advance of LU issuing a Letter of No Objection. LU will only consider this if it does not weaken its position in closing out outstanding issues.

Cooling the Tube

4.6 The major effort is on the Victoria line, to allow for the new trains and increased capacity. The solution adopted is to install mid-tunnel ventilation shafts and the first phase is nearing completion, with the second phase being designed. Victoria Station cooling design is being integrated within the Victoria Station Upgrade project.

5 OTHER ITEMS

Accessibility

5.1 The Rail Vehicle Accessibility Regulations (RVAR) exemption process for the new eight car Sub-surface stock (S8) was completed with both the Houses Commons and Lords accepting LU's application for an exemption. This means that S8 trains are now able to run legally when they are introduced into passenger service later this year. Work is being undertaken at multiple platform sites to provide level and adjacent access to the new trains.

5.2 In February, Hainault became the 59th step-free station on the LU network, when three new lifts were brought into service – two standard lifts from platform to subway level and a 'low rise' lifting platform from the subway to the ticket office and street level. The station has also received wide aisle gates to help wheelchair users, as well as passengers with buggies and heavy luggage. In addition, new CCTV cameras, a new accessible toilet, electronic train information display boards, passenger help points, improved signage and lighting, and a new control room have been provided.

5.3 The rollout of Phase Two of Wide Aisle Gates to LU stations has been completed with a total of 250 gates installed across 123 stations.

Customer Information

5.4 The Electronic Service Update Board Project had delivered all 105 units on BCV/SSR sites by 23 April. JNP installations are progressing slowly but more sites are now becoming available as planning approvals come through; 41 of the 78 planned units have been installed and TLL have confirmed that all 78 will be installed by the end of May.

Operation's Strategic Plan

5.5 The Operations' Strategic Plan outlining proposed changes to ticket office and ticket hall service, station groupings and stations and trains management was launched to staff, Trades Unions and stakeholders on 11 March. The proposals respond to changes in customer behaviour such the impact of Oyster, put the organisation on a sound footing to respond to the transformation of the Tube and address efficiencies required of Operations. A number of briefing events were held for managers and administrative staff impacted by these proposals. The formal consultation process with trade unions is underway.

Employee Engagement

5.6 The Bakerloo line's Valuing Time Local programme started on 30 March, meaning that eight out of nine lines are now 'live'. Across the network, over 200 Valuing Time Local workshops have been held with approximately 3,000 staff having attended. The remaining areas to launch are the Special Requirements/Revenue Team and the Victoria line and both have started preliminary planning. The final Valuing Time session for the Maintenance team will take place on 29 April, with over 40 sessions having being run over the last six months catering for both day and night shifts. On the 360^{o} Leadership Programme, the coaching sessions are now very close to completion and ahead of schedule.

5.7 A series of actions to address the issues that arose from responses to the 2009 'Speak Up' survey was created under three themes – 'Leadership & Direction', 'The way we work' and 'Integration'. These have now been embedded in 'The Plan', which sets down LU's major Programmes and their milestones and this year for the first time also captures Corporate and Directorate scorecards. Progress against The Plan is reported to the LU Executive each period. Local Action Plans have also been developed and are published on the LU Intranet.

Periodic Review

5.8 The Arbiter made a final decision on second period costs on 10 March resulting in a £65m increase in costs from £4.394bn to £4.459bn in 2008 prices. This results in a funding gap of approximately £800m in the second period. The Arbiter invited LU and its stakeholders (Mayor/TfL) to state by 9 April whether they wished to make any amendments to the contract or to the amount of service charge that LU proposes to pay in the second and subsequent review periods. LU has responded to the effect that it considers it premature to change its requirements before the Arbiter's final directions, but has nevertheless taken the opportunity to modify the amounts of service charge it proposes to pay to match the Arbiter's findings on costs and to accommodate the costs of finance in future periods.

5.9 A final determination was due on 29 April, but on 27 April the Arbiter determined that TLL cannot finance the work LU wants done under the PPP on the basis of what LU has said it can afford. As a consequence, he has asked LU to notify him formally of changes in its affordability limits, and any other changes it wishes to make to its future requirements, by 21 May. Given the importance of new contractual terms being in place for the start of the second contract period on 1 July, the Arbiter has proposed that TLL should respond to LU's revised terms by 11 June, although it is for TLL and LU to agree this date in the first place. He would then propose to issue his final directions on charging and financing by 30 June.

Awards

5.10 At the Rail Business Awards held on 11 February LU, won two of the top prizes and received commendations in several other areas. The Maintenance team was named winner of the Safety and Security Excellence award for the

introduction of the most successful railway safety and security improvements in 2009, ahead of eight other nominees including TLL who were highly commended. Wood Lane station, the first new station to be built on an existing line in more than 70 years, won the Department for Transport Station Excellence of the Year award.

5.11 For the third year running, London Underground was named Public Transport Operator of the Year at the London Transport Awards on 4 March. LU triumphed in a competitive category with a strong shortlist that included C2C, First Great Western, Southern and Chiltern Railways.

5.12 The King's Cross project team won the prestigious 'infrastructure' award at the ICE Civil Engineering awards on 3 March.

5.13 For the second year running LU won the award for Best Metro Europe at 'The Metros', an annual international awards ceremony allied with the MetroRail conference. LU beat four other shortlisted European metros (Paris, Madrid, Berlin and Copenhagen) to win the trophy.

6 RECOMMENDATION

6.1 The Panel is asked to NOTE this report.

7 CONTACT

7.1 Contact: Mike Brown, Managing Director, London Underground
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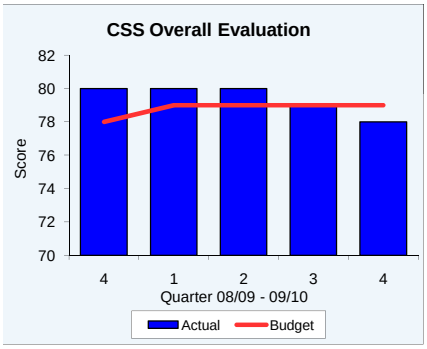
Email: Mike@tube.tfl.gov.uk

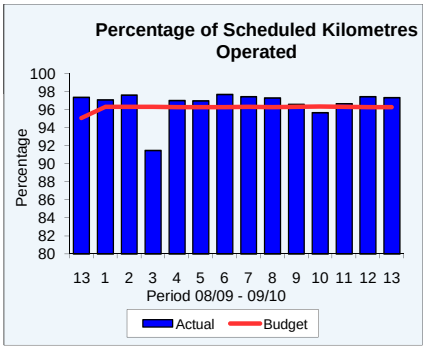
Rail and Underground Panel
Managing Director's Report - London Underground
Performance Indicators - Period 13 2009/10

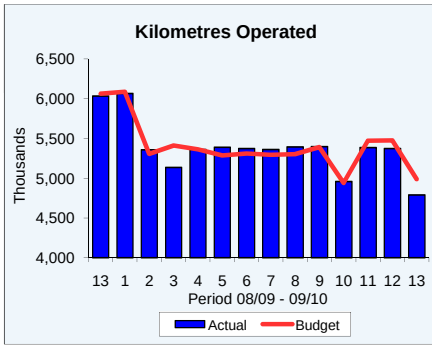
2008/09 Actual	Measures	Reporting Frequency	Unit	Year Actual	Year Budget	Year Variance
	Customer Service					
79	Customer Satisfaction - Overall Evaluation	Quarterly	Score	79	79	
96.4	% of Schedule Operated	Period	%	96.6	96.3	0.3
70,624	Kilometres Operated	Period	000's	69,368	69,589	(221)
6.64	Excess Journey Time (Weighted)	Period	Minutes	6.41	6.78	0.37
	Safety & Security					
0.12	Customer Major Injuries per million journeys	Period	No.	0.10	0.13	0.03
13.2	'L' Area Notifiable Crimes per million journeys**	Period	No.	13.2	13.3	0.1
	Infrastructure					
10.47	PPP Lost Customer Hours	Period	Million	9.56	15.33	5.77
	People					
96.1	Employee Attendance	Period	%	96.0	96.2	(0.2)
	Commercial					
1,089.5	Passenger Journeys	Period	Million	1,064.7	1,094.0	(29.3)

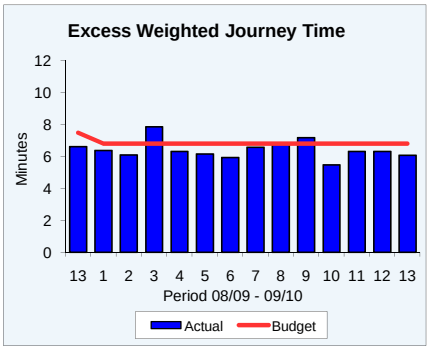
** Measured on a Calendar Month basis. The figure shown is for April 2009 - February 2010

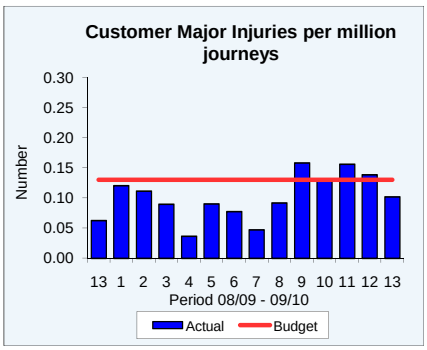
Performance Trends

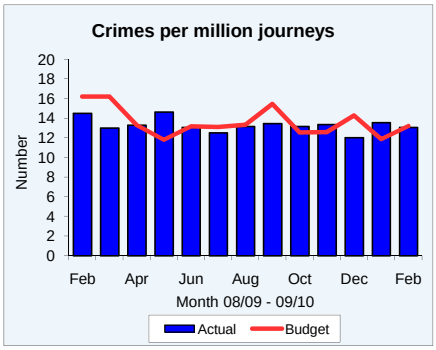


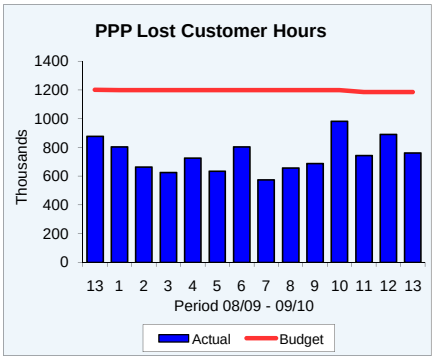


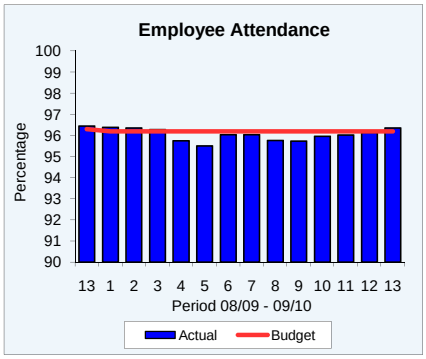


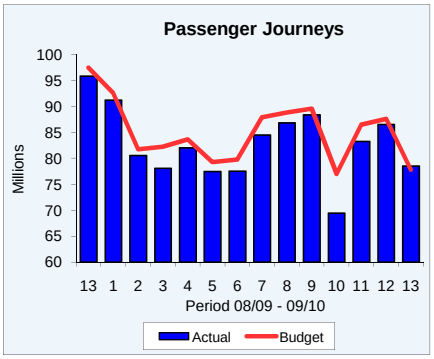




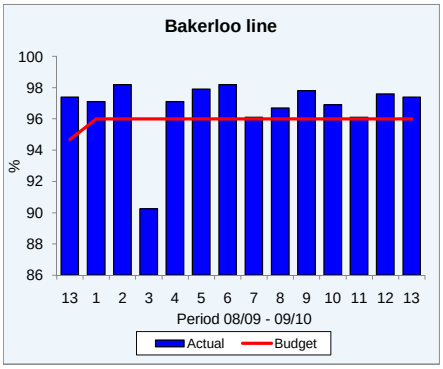


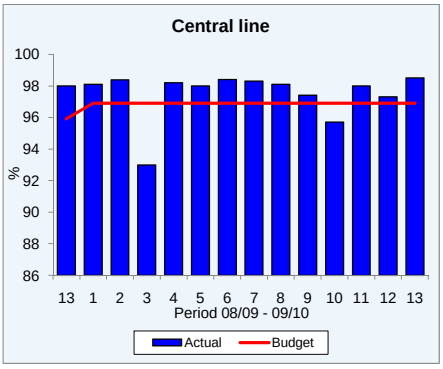


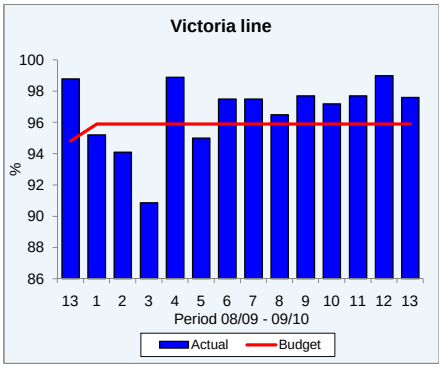


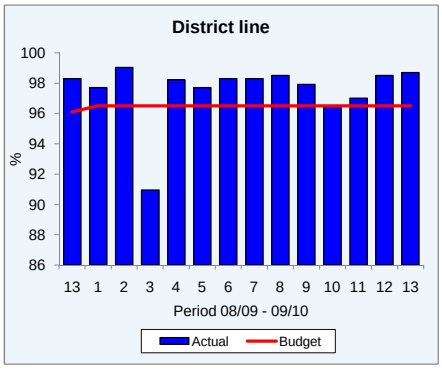


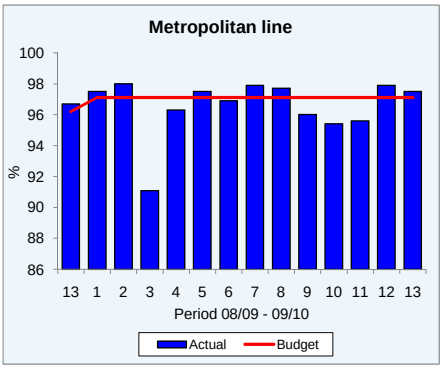
Rail and Underground Panel
Managing Director's Report - London Underground
Line Performance Trends
Percentage of Scheduled Kilometres Operated

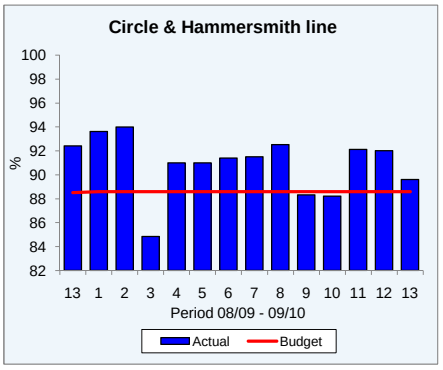


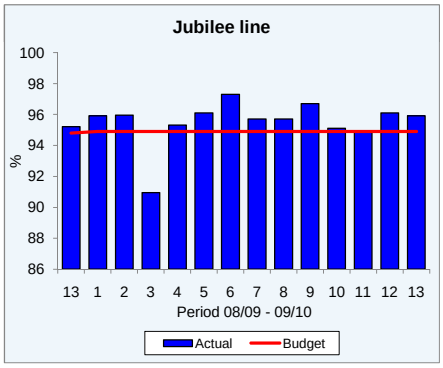


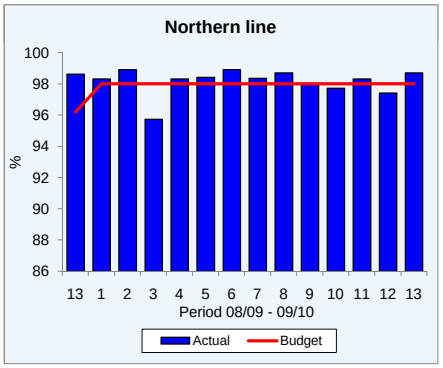


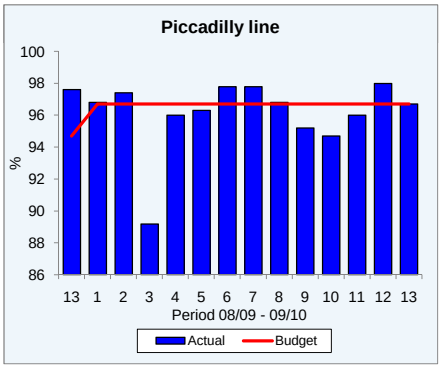




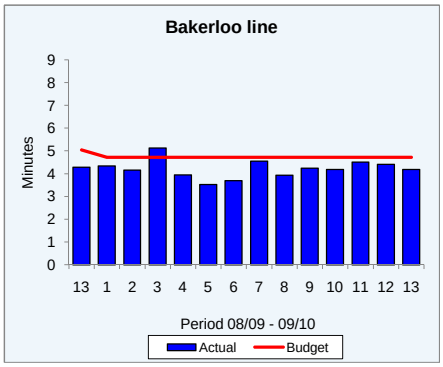


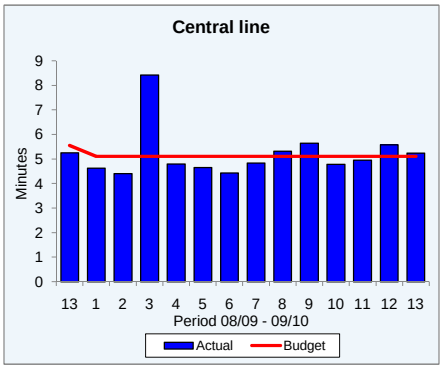


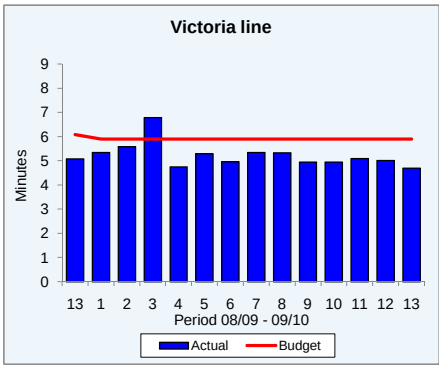


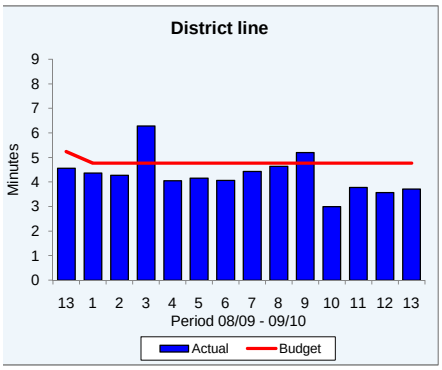


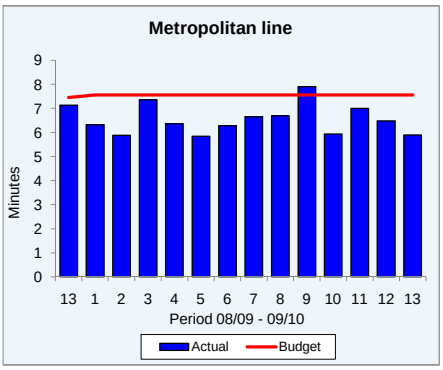
Rail and Underground Panel
Managing Director's Report - London Underground
Line Performance Trends
Excess Journey Time

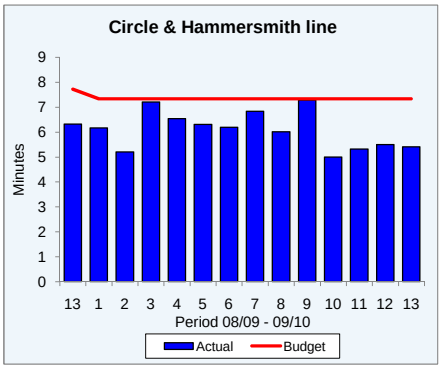


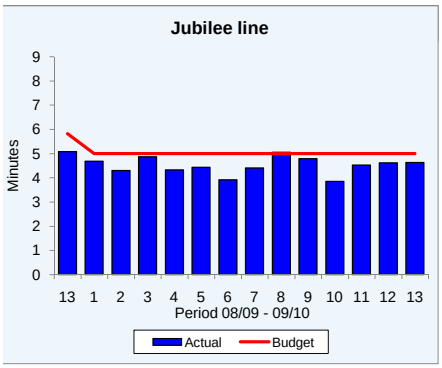


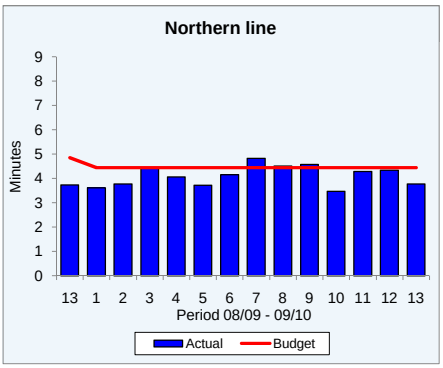


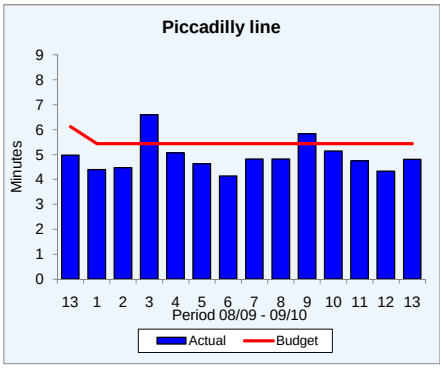




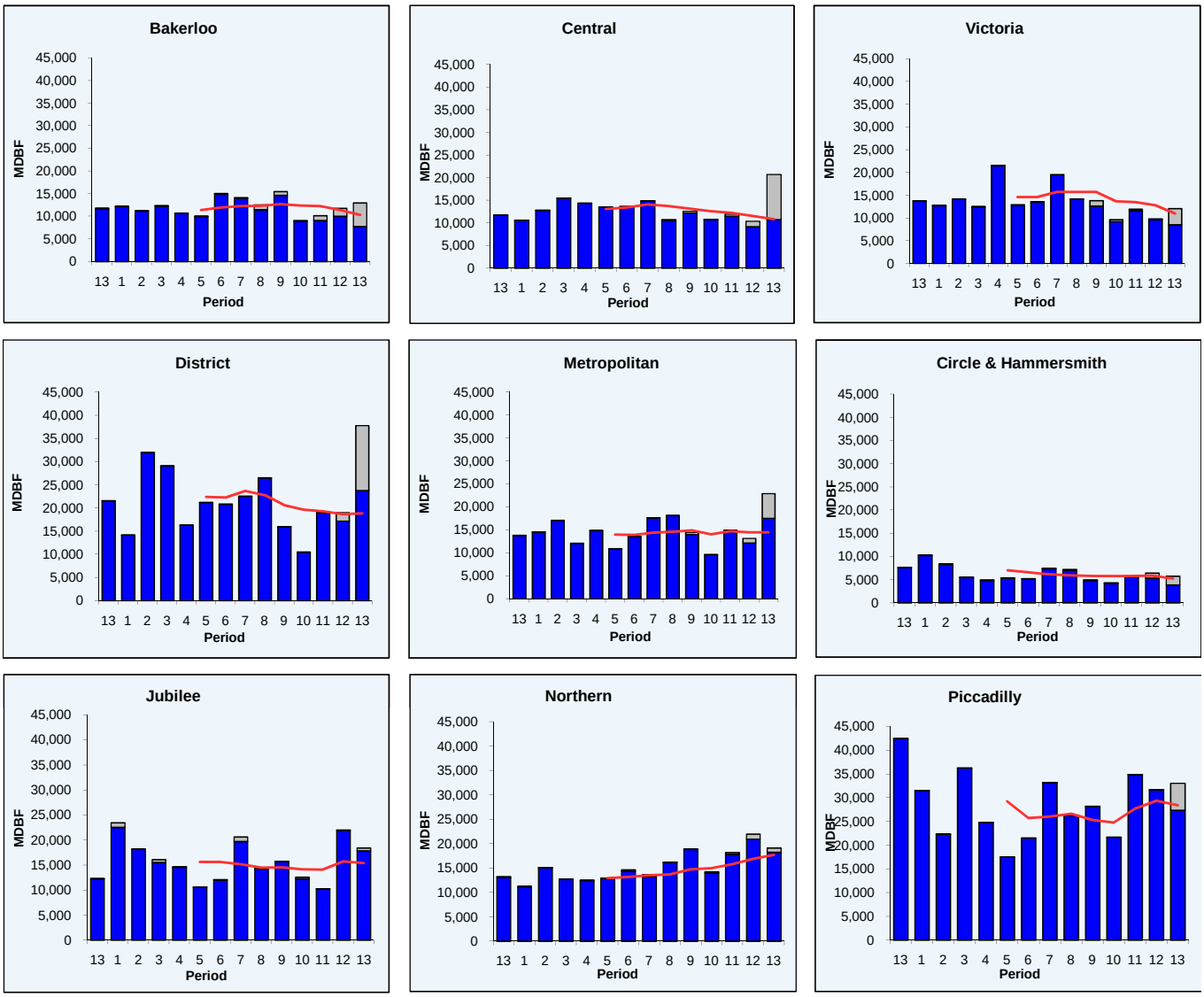






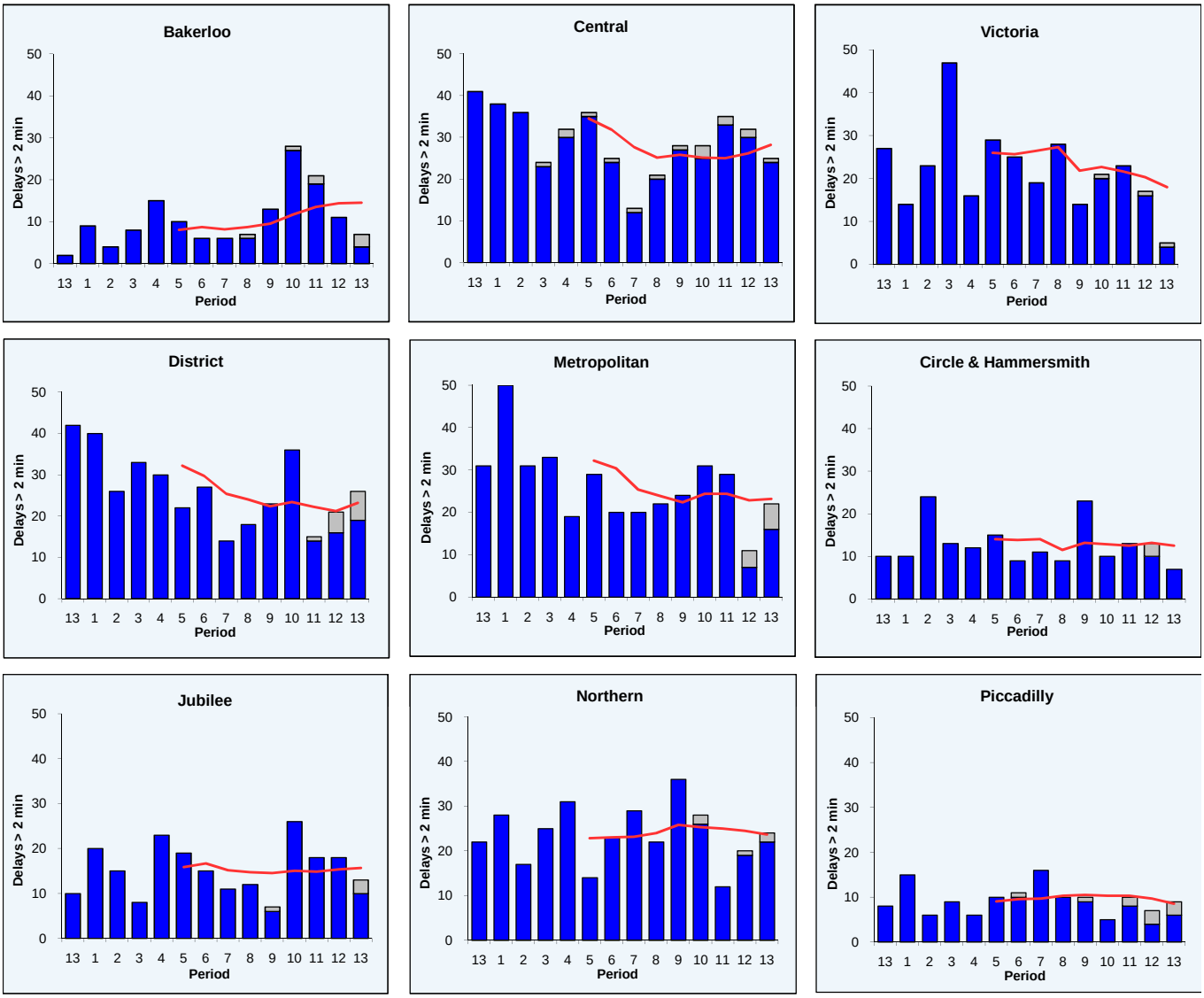


Rail and Underground Panel
Managing Director's Report - London Underground
Line Performance Trends
Rolling Stock Mean Distance Between Failures



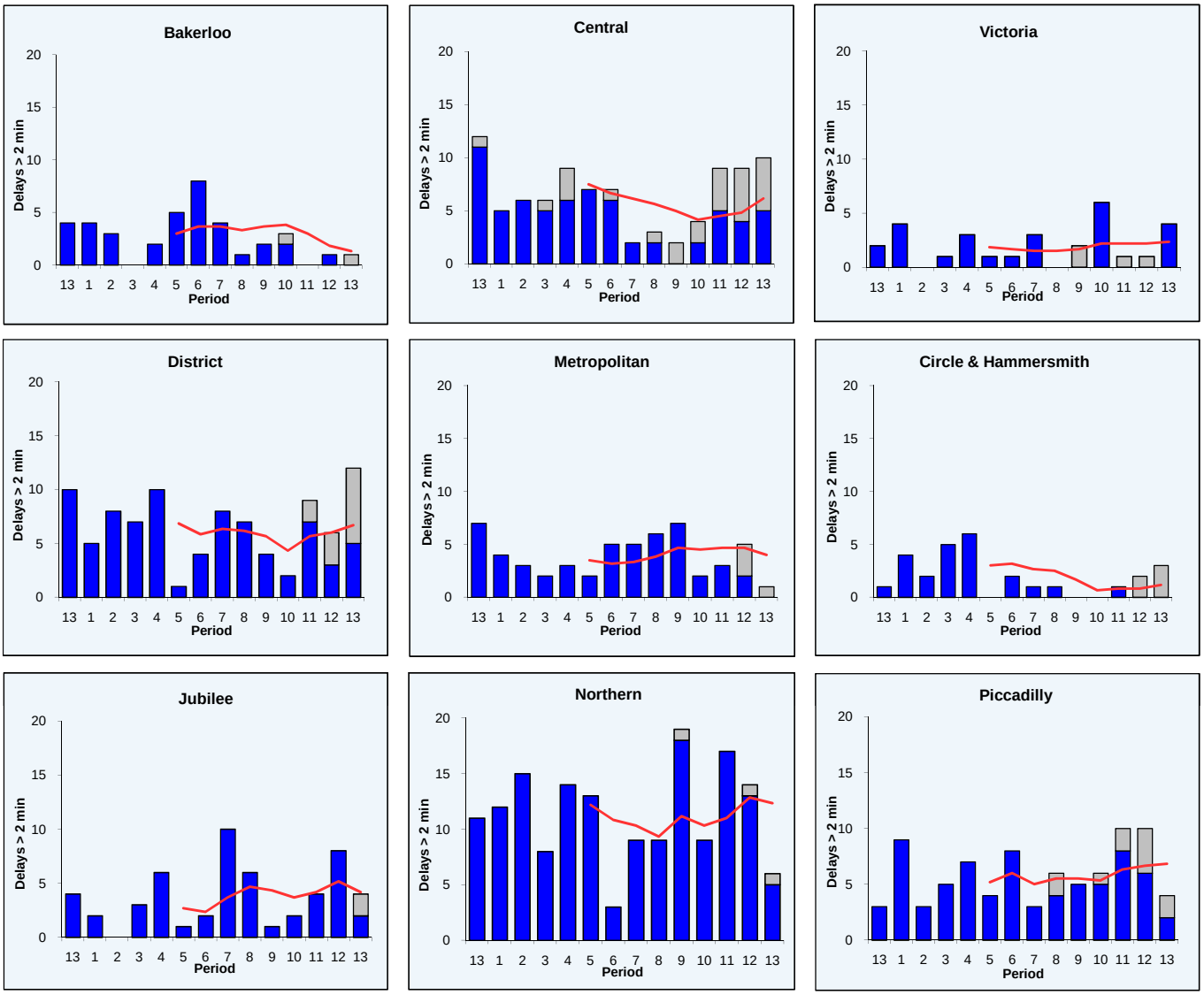
The graphs on this page show Rolling Stock MDBF calculated as the number of train kilometres operated in customer service divided by the number of service disruptions of 2 minutes or more that are contractually attributable under the PPP contracts to BCV, SSL or Tube Lines, and include items that are attributed but still in abeyance to be agreed. Where Infraco cause codes (ICC) are not present, LU cause codes are used. Subsequent addition of ICCs could therefore give rise to retrospective changes.

Rail and Underground Panel
Managing Director's Report - London Underground
Line Performance Trends
Signal and Point Related Delays >2 minutes



The graphs on this page show the number of service disruptions of 2 minutes or more that are contractually attributable under the PPP contracts to BCV, SSL or Tube Lines, and include items that are attributed but still in abeyance to be agreed. Where Infraco cause codes (ICC) are not present, LU cause codes are used. Subsequent addition of ICCs could therefore give rise to retrospective changes.

Rail and Underground Panel
Managing Director's Report - London Underground
Line Performance Trends
Track Related Delays >2 minutes



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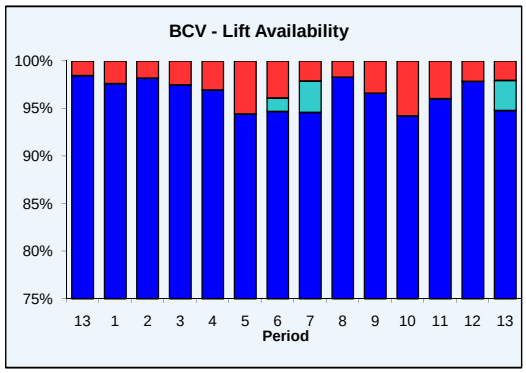
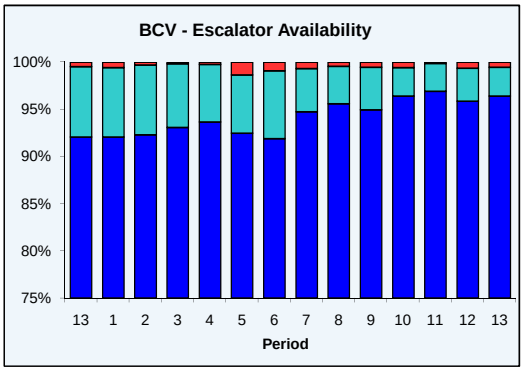
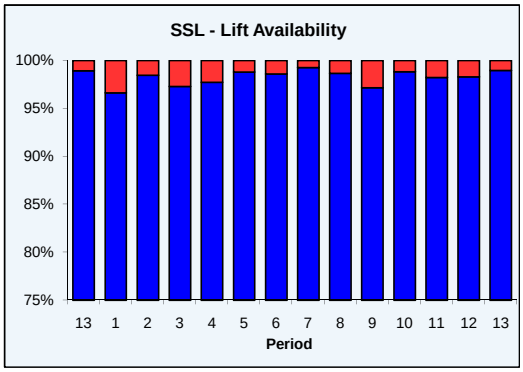
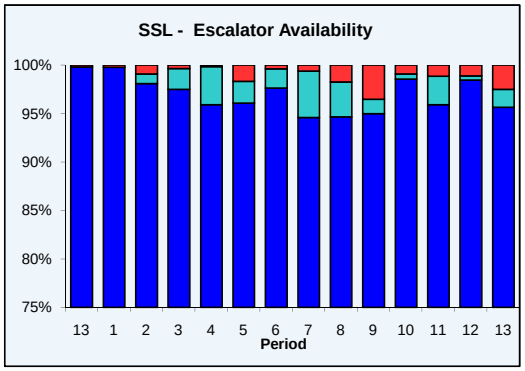
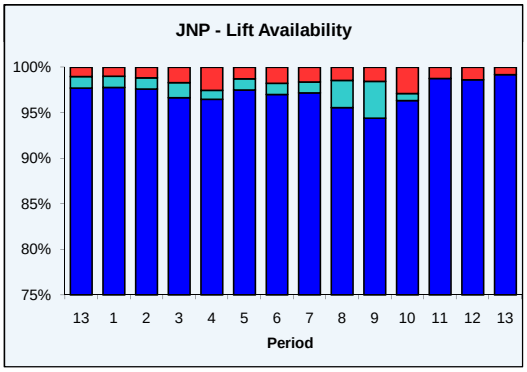
Rail and Underground Panel
Managing Director's Report - London Underground
Line Performance Trends
Lift and Escalator Availability

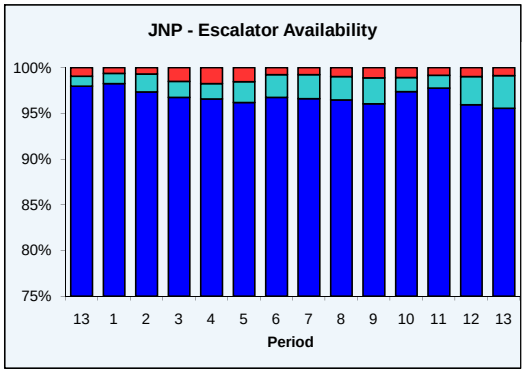












Rail and Underground Panel
Managing Director's Report - London Underground
Line Performance
Percentage of Scheduled Kilometres Operated and Excess Journey Time

Percentage of Schedule by Line

	Period 11	Period 12	Period 13	YTD	Budget	YTD Variance
Bakerloo	96.1	96.7	97.8	96.7	96.0	0.7
Central	98.3	98.1	97.4	97.5	96.9	0.6
Victoria	97.5	96.5	97.7	96.5	95.9	0.6
Circle & Hammersmith	91.5	92.5	88.3	90.8	88.6	2.2
District	98.3	98.5	97.9	97.5	96.5	1.0
Metropolitan	97.9	97.7	96.0	96.5	97.1	(0.6)
Jubilee	95.7	95.7	96.7	95.5	94.9	0.6
Northern	98.3	98.7	98.0	98.1	98.0	0.1
Piccadilly	97.8	96.8	95.2	96.1	96.7	(0.6)
Network	**96.7**	**97.4**	**97.3**	**96.6**	**96.3**	**0.3**

Excess Journey Time by Line (minutes)

	Period 11	Period 12	Period 13	YTD	Budget	YTD Variance
Bakerloo	4.52	4.42	4.19	4.22	4.72	0.50
Central	4.95	5.57	5.23	5.20	5.11	(0.09)
Victoria	5.08	5.01	4.70	5.23	5.90	0.67
Circle & Hammersmith	5.31	5.49	5.41	6.07	7.33	1.26
District	3.77	3.57	3.71	4.27	4.76	0.49
Metropolitan	7.00	6.49	5.90	6.51	7.56	1.05
Jubilee	4.52	4.61	4.63	4.49	5.00	0.51
Northern	4.28	4.33	3.77	4.12	4.44	0.32
Piccadilly	4.73	4.33	4.80	4.90	5.43	0.53
Network	**6.31**	**6.31**	**6.06**	**6.41**	**6.78**	**0.37**